ATTORNEY GENERAL

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OAG TEXT AMENDMENT PETITION TO THE ZONING COMMISSION Z.C. CASE NO. 21-XX – AFFORDABLE HOUSING PARKING EXEMPTION DECEMBER 2, 2021

PROPOSED TEXT AMENDMENT

The Office of the Attorney General ("OAG") petitions the Zoning Commission for the District of Columbia (the "Commission") to amend the following provisions of the Zoning Regulations (Title 11 of the DCMR, Zoning Regulations of 2016, to which all citations refer unless otherwise specified):

• Subtitle C § 702.4

OAG's proposed <u>text amendment</u> would incentivize the creation of affordable housing by not applying minimum parking requirements to dwelling units reserved for households earning equal to or less than eighty percent (80%) of the District's median family income ("MFI").

JUSTIFICATION

OAG's proposed text amendment would remove a barrier to affordable housing by exempting affordable units from minimum parking requirements, which significantly increase the cost of residential construction and often limit a development from using all of the height and density available by-right. Exempting affordable units from minimum parking requirements would incentivize developers to add affordable units on sites with available height and density but limited by parking minimums as well as to shift the costs of providing parking to subsidize affordable housing.¹

Reallocating resources to provide homes for people instead of storage of cars would help address the District's affordable housing crisis acknowledged by the Comprehensive Plan (Title 10A of the DCMR, the "CP") (CP § 220.5). Although the Mayor issued a 2019 order² establishing a goal of producing 12,000 new affordable units and a total of 36,000 total new residential units in the District by 2025, the District continues to fall behind its goals of creating affordable housing. (CP § 504.7) The 3,137 affordable units produced between January 2019 and October 2021 fall below the roughly 4,800 affordable units needed in those 34 months to meet the 2025 goal (26% of the goal in 40% of the time³). This pace – approximately 92 affordable units a month – is a decline from the roughly 111 affordable units per month created between 2015 and 2018, for a total of

¹ The City Council of Boston, facing an affordable housing crisis similar to that confronting the District, took similar action by proposing a similar text amendment with the Zoning Commission (Docket #0685, October 20, 2021). Other jurisdictions that have adopted similar measures reducing minimum parking requirements to encourage affordable housing include Seattle, Minneapolis, Buffalo, Hartford, and Alexandria. Spivak, *People Over Parking* (n. 4, *supra*); Zoning Ordinance of the City of Alexandra (VA) Section 8-200(A)(2)(iii).

² Mayor's Order 2019-36 (May 10, 2019).

³ DMPED's "Economic Intelligence Dashboard."

5,352 affordable units (CP § 206.11).

The higher costs of construction and the loss of space that must be dedicated to parking result in fewer or smaller units and higher rent costs for tenants.⁴ These impacts are even more pronounced when trying to produce low-cost housing in areas with high land costs and when developing smaller residential buildings. A Brookings study has estimated that a single parking space adds approximately \$50,000 to the cost to construct a residential unit – with some variation depending on the size of the development and whether the parking is above or below ground.⁵ A 2018 U.S. Government Accountability Office report reported that parking cost for projects in Arizona and California averaged \$56,000 per unit, or approximately 27% of the per-unit cost.⁶ The updated CP notes that this income disparity and loss of affordable housing options has more heavily impacted residents of color who are more heavily represented in the lower income groups, resulting in worsening racial inequality in housing access and affordability, and increased risk of displacement of communities of color (CP §§ 500.5, 500.7c, 500.19, 504.3, 504.7).

In addition to the cost savings from building fewer parking spaces, the square footage required for a standard sized parking space in the District – at least 252 square feet (9-foot width by 18-foot length plus half of the required 20-foot aisle width) – is almost twice the minimum 130 square feet required for a single-occupancy dwelling unit by the District's Housing Code (14 DCMR 402).

CONSISTENCY WITH THE COMPREHENSIVE PLAN

As discussed above, OAG's proposed text amendment complies with the Zoning Act's charge that the zoning regulations "shall not be inconsistent with the comprehensive plan ...[and] shall be designed ... to promote health and the general welfare ... [and the] distribution of population and of the uses of land as would tend to create conditions favorable to health ...[and] prosperity" (D.C. Code § 6-641.02). Furthermore, the proposed text amendment would further specific CP policies including:

• Policy H-1.1.2: Production Incentives

Provide suitable regulatory, tax, and financing incentives to meet housing production goals, prioritizing affordable housing production in support of the targets in Policy H-1.2.2. These incentives should continue to include zoning regulations that permit greater building area for commercial projects that include housing than for those that do not, and relaxation of height and density limits near transit. Strongly encourage incentives and strategies that result in the production of more deeply affordable housing, such as the use of income averaging across a range of affordable housing income levels. (CP § 503.4)

• Policy H-1.1.8: Production of Housing in High-Cost Areas

Encourage development of both market rate and affordable housing in high-cost areas of the District, making these areas more inclusive. Develop new, innovative tools and techniques that support affordable housing in these areas. Doing so increases costs per unit but provides greater benefits in terms of access to opportunity and outcomes. (CP § 503.10)

⁴ Jeffery Spivak, *People Over Parking*, PLANNING MAGAZINE (Oct. 2018).

⁵ Hannah Hoyt & Jenny Schuetz, *Parking requirements and foundations are driving up the cost of multifamily housing*, Brookings, June 2, 2020.

⁶ U.S. GAO, Low-Income Housing Tax Credit (GAO-18-637), September 2018.

- Policy H-1.2.1: Low- and Moderate-Income Housing Production as a Civic Priority
 - The production and preservation of affordable housing for low- and moderate-income households is a major civic priority, to be supported through public programs that stimulate affordable housing production and rehabilitation throughout all District neighborhoods. (CP § 504.8)
- Policy H-1.5.1: Land and Building Regulations

Ensure the District's land regulations, including its housing and building codes, zoning regulations, construction standards, and permitting fees, enable the production of housing for all income groups. Avoid regulations that make it prohibitively expensive or difficult to construct housing. (CP § 507.2)

• Policy T-1.1.8: Minimize Off-Street Parking

An increase in vehicle parking has been shown to add vehicle trips to the transportation network. In light of this, excessive off-street vehicle parking should be discouraged. (CP § 403.14)

OAG requests that the Zoning Commission set this petition for a proposed text amendment down for a public hearing and is prepared to respond to any questions or concerns of the Commission.

Respectively submitted,

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PROPOSED TEXT AMENDMENT

The proposed revisions to the text of the Zoning Regulations are as follows – text to be deleted is marked in **bold and strikethrough** text; new text is shown in **bold and underline** text.

Subsection 702.4 of § 702, EXEMPTIONS FROM MINIMUM VEHICLE PARKING REQUIREMENTS, of Chapter 7, VEHICLE PARKING, of Subtitle C, GENERAL RULES, is proposed to be amended by adding a new paragraph (g), to read as follows:

- Vehicle parking shall not be required:
 - (a) For a building containing a single principal dwelling unit or flat within ...

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- (e) Within the MU-11 zone; or
- (f) For structures erected on Kingman and Heritage Islands, for which the construction of parking spaces shall be prohibited except for handicap spaces; or
- (g) For a dwelling unit reserved for households earning equal to or less than eighty percent (80%) of the MFI, whether:
 - (i) An inclusionary unit;
 - (ii) A dwelling unit required by a land disposition agreement with the District; or
 - (iii) A dwelling unit, funded in whole or in part, by financial subsidies from the Federal or District Government and administered and/or monitored by the Department of Housing and Community Development (DHCD), the District of Columbia Housing Finance Agency (DCHFA), or the District of Columbia Housing Authority (DCHA).

Appendix – Existing Language

Subsection 702.4 of § 702, EXEMPTIONS FROM MINIMUM VEHICLE PARKING REQUIREMENTS, of Chapter 7, VEHICLE PARKING, of Subtitle C, GENERAL RULES

- Vehicle parking shall not be required:
 - (a) For a building containing a single principal dwelling unit or flat within the R or RF zone, if the lot does not have access to an open, improved, and public alley with a right of way of ten feet (10 ft.) width minimum;
 - (b) Within the D zones, except:
 - (1) Parking requirements applicable to a disposition lot as defined in the Urban Renewal Plan for the Downtown Urban Renewal Area shall be as specified in that plan; and
 - (2) Within the D-5 zone west of 20th Street N.W., parking shall be required in accordance with Subtitle C §§ 701.5 and 702.1;
 - (c) Within the SEFC or USN zones;
 - (d) On any property within the CG zones that has frontage on or is located east of South Capitol Street;
 - (e) Within the MU-11 zone; or
 - (f) For structures erected on Kingman and Heritage Islands, for which the construction of parking spaces shall be prohibited except for handicap spaces.